Impact of Central Budget on wholesale price Index

471. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI MAHENDRA PRASAD:
SHRI SURESH PACHOURI:

Will the Minister of FINANCE be pleased to state:

(a) what is Government's assessment about the impact of Central Budget 1990-91, levies and imports on the wholesale price-index base-year 1981-82, from March 20 to April 30 indicating the index readings week to week;

(b) what are the main contributing factors for the rise in the price-index, indicating the item-wise price rise and their weightage as reflected on the index: and

(c) what steps are being taken by Government to keep the prices under check?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) Between March 17, 1990 (pre-Budget week) and April, 21,1990 the latest available wholesale Price Index (1981-82-100) registered an increase by 1.7 per cent. The week to week movment in WPI is given below.

Week ending 1990	WPI (1981-82-100)	Weekly Change (per cent)
March 17	169.5 (P)	0.1
March 24	170.3 (P)	0.5
March 31	170.7 (P)	0.2
April 7	171.6 (P)	0.5
April 14	172.2 (P)	0.3
April 21	172.4 (P)	0.1

(P)– Provisional

The rise in WPI cannot be attributed entirely to the Budget levies and imports becasuse at par of it is due to seasonal factors and imbalances in demand and supply of certain commodities.

(b) Prices have risen mainly on account of imbalances in demand and supply of essential commodities, fiscal imbalances leading to higher liquidity growth and inflationary expectations generated by speculative activities.

Price rise for broad groups of items between March 17 and April 21, 1990 alongwith their weightage in the WPI is given in the Annexure-(*See* Appendix CLIV, Annuxure No. 30).

(c) Government has taken several steps to curb inflation including maintaining supplies of essential commodities through public distribution system necessary imports, strict fiscal and monetary discipline including close monitoring of budgetary deficit and actions against hoarders anp blackmarketeers.

Waiving of Farm Loans in Andhra Pradesh

472. SHRI TALARI MANOHAR Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Andhra Pradesh Government decided to